

# The Wheel Watch

a newsletter of the  
Fishing Vessel Owners' Association  
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Thank you for your support!

Dear Longliner

## \*\*I P H C\*\*

The Halibut Commission came out with their 2005 recommended harvest levels. These are not final until acted on at the Annual Meeting. It will be held Tuesday, January 18 through Friday, January 21, 2005 in Victoria.

IPHC Staff recommendations for 2005 catch limits, by IPHC regulatory area (million lbs., net weight). The 2004 catch limits are included for reference.			
Regulatory Area	2004 Setline Catch limit	2005 Staff Recommended Setline Catch Limit	
2A <sup>a</sup>	1.48	1.33	
2B	13.80	13.11	
2C	10.50	10.91	
3A	25.06	25.45	
3B	15.60	13.17	
4A	3.47	3.45	
4B	2.81	2.26	
4CDE	3.79	3.99	
Total	76.51	73.67	

Overall, these recommendations are a 3.7% reduction from 2005. Area 3B is recommended for a 16% reduction, and area 4B is recommended for a 20% reduction. The Commission noted relative stability in areas 2B, 2C, and 3A, changing less than +/- 3%. In western areas, industry CPUE has declined for the past half decade. Relative to 2003, catch rates have declined 10% in 3B and 4A. Slight increases in CPUE were seen in 4B (+5%), 4C (+18%) and 4D (+17%).

**From the Survey.** CPUE increased by 18 to 22% in 2A, 2B, and 3A but declined 22% in 2C. The Western Gulf and Bering Sea survey CPUE decreased 10% in 3B and 4A but declined 30-32% for 4B and 4D. Area 4B survey has been in decline since 1997.

The IPHC staff has gone from the 25% exploitation rate in the Central Gulf and southward areas to a 22.5% rate. There is still concern about a disproportionate level of females to males. The exploitation rate in the Western Gulf and Bering Sea remained at 20% due to concern of long-term reproduction.

## \*\*N P F M C\*\*

**IFQ Amendments.** The Council took final action on the following amendments to the Halibut/Sablefish program.

**4C fish in 4D** - The Council voted to allow 4C quota and CDQ holders in 4C to catch their fish in 4D. There is a 3-year review of this action. I noticed the IPHC survey showed a 30% drop in CPUE in 4D. Now that there will likely be a 50% to 70% increase in fishing pressure in 4D, I expect CPUE will further drop. If you 4D folks have a problem with this, get involved with an organization and participate in the process. FVOA did not think this was the right mitigating option for current 4C problems, but we did not prevail. Next issue please.

**Action 1.** The Council adopted a medical transfer for QS holders that cannot hire skippers. The transfer is limited in time for a given ailment.

**Action 2.** Hired Skipper - To use the hired skipper exemption, a QS holder must demonstrate at least a 20% vessel owner interest in the vessel to be used and have continuously owned the vessel as documented by the contemporary Abstract of Title for the previous 12 month. This could create an unintended problem for those who are changing vessels. There is an exemption for a constructive loss of the vessel.

**Action 3.** If you are fishing sablefish in the Bering Sea and/or Aleutians, you will need to physically check in or use a VMS system.

**Action 4.** The Council adopted a bleeding recovery rate for sablefish. It passed 6 to 5. NMFS had concerns about it.

**Action 5.** (a) The blocks for halibut were amended in all areas. If you have a portion of unblocked quota and a block in a particular area, there is no relief. If you own two blocks in an area, you can purchase a third.

(b) Blocks in area 3B and 4A were amended as follows: If your block is over 20,000 lbs., the portion over 20,000 lbs., will be unblocked quota and you will have a new 20,000 lb. block. There is also a provision that grandfathers you should this result in exceeding the block rules on how many you hold for 3B or 4A.

(c) Block sweep-ups in 2C and 3A were increased to 5,000 lbs. on a 1996 QS equivalent or about 5800 lbs. based on 2004.

**Action 6.** The Council voted to allow D class vessels to fish up to a C class vessel in area 4C and 3B. The politics were revealing on this one. In 4C, the smaller vessels can now fish their QS in 4D. The only way for the D class vessels to safely fish in 4D is to be able to fish up on a larger vessel. If this occurs, the halibut usually delivered to the Pribiloffs will now likely go to Dutch or ports to the East. This was considered okay due to the lack of fish in 4C. In 4B, they removed the right for D class to fish up because some did not want the fish jumping on a larger vessel and going to Kodiak, Sand Point, or Seward. They wanted it delivered to Adak. In 3B, one of the 42 native communities that are allowed now to buy QS, did not want the fish-up provision for D class, because this is the cheapest quota, which they were buying up. Once the community buys it, they do not have to abide by the B, C, or D classes. The cost difference can be \$2 to \$3.00/lb. This community wants 100,000 lbs. The Council listened to the independent Alaska fishermen both native and non-native and elected to allow them to fish up. The vote was 6 to 5 on the motion of John Bundy, the pollock guy from Washington. The 42-community participation will make many of the social programming aspects of the IFQ program obsolete as they are exempt from most of the restrictions, such as hired skippers provision. This action now makes D class as valuable as C class in 4C and 3B.

**Action 7.** The Council passed the ability to fish down in area 2C and southeast outside district for sablefish.

**\*\*2005 HARVEST LEVELS\*\***

## Gulf of Alaska and Bering Sea

	<u>2004</u>	<u>2005</u>	
Western Gulf	2930 mt	2540 mt	↓13%
Central	7300 mt	7250 mt	↓1%
WYak	2550 mt	2580 mt	↑2%
Eyak/SEO	3770 mt	3570 mt	↓5%
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Total GOA	16,550 mt	15,940 mt	↓3%
Aleutians		2620 mt	-24%
Bering Sea		2440 mt	-19%

Pacific Cod  
Gulf of Alaska

	<u>2004</u>	<u>2005</u>
W	22,610 mt	20,916 mt
C	35,800 mt	33,117 mt
E	<u>4,400 mt</u>	<u>4,067 mt</u>
Total	62,810 mt	58,100 mt

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Bering Sea	215,500 mt	206,000 mt	195,000 mt
Greenland Turbot	2,700 mt	2,700 mt	2,700 mt

**Sablefish abundance** is projected to fall, following the strong 1997 year class, because the 1998 year class is weaker than expected. Should the 2000 year class not materialize as hoped, the ABC is projected to decline to 19,900 in 2006 and 18,500 in 2007. The name of the sablefish game is year-class strength. The following graphs are telling.

**Pacific Cod** is declining steadily. Next year, Grant Thompson will have a new Bering Sea Cod model. The 2006 projection is downward. The decrease will depend on year-class strength in the 2005 survey.

Sablefish

November, 2004 Plan Team Draft

2 November 2004.

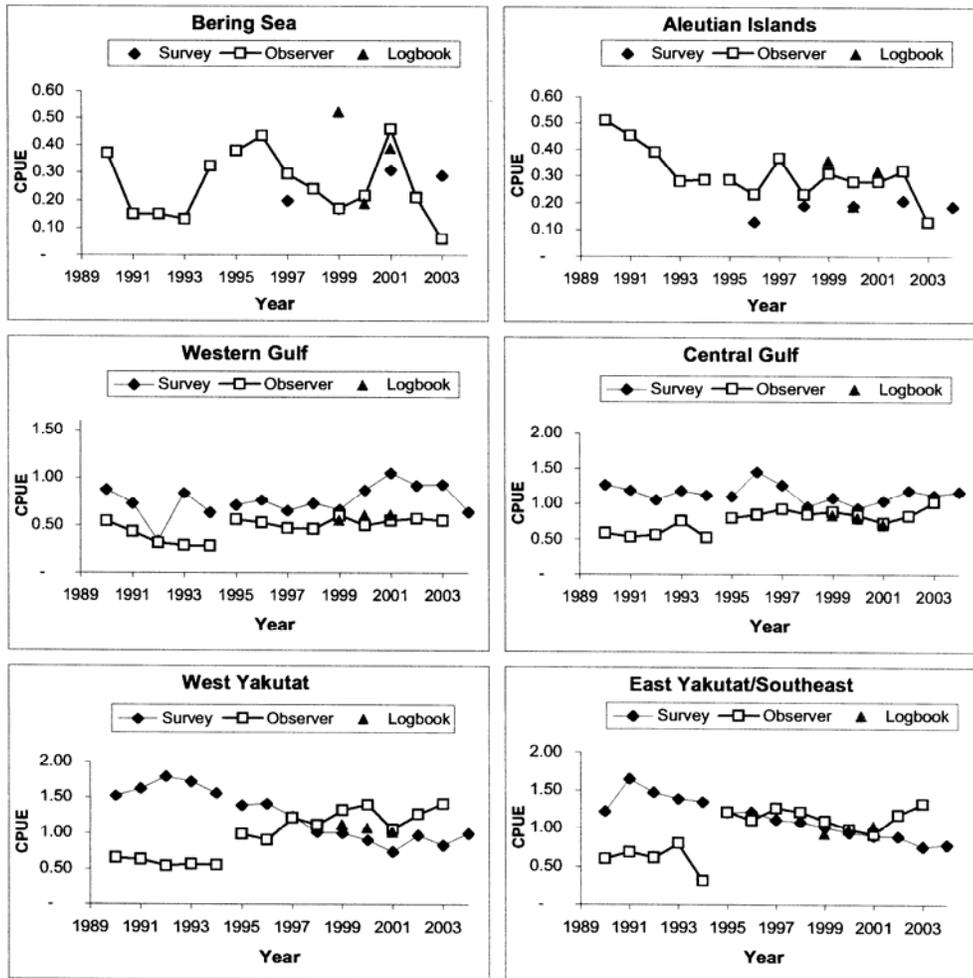


Figure 3.4.—Average fishery catch rate (pounds/hook) by region and data source for longline survey and fishery data. The fishery switched from open-access to individual quota management in 1995.

November, 2004 Plan Team Draft

2 November 2004.

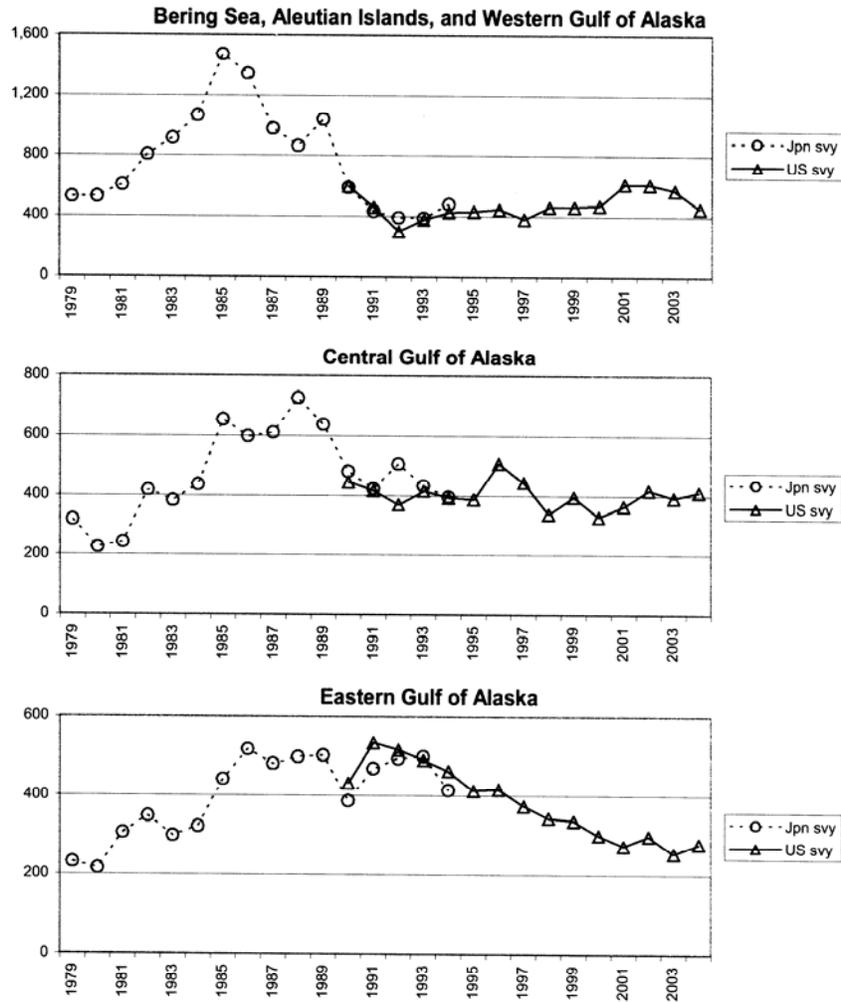


Figure 3.6.—Relative abundance (weight) by region and survey. The regions Bering Sea, Aleutians Islands, and western Gulf of Alaska are combined in the first plot. The two surveys are the Japan-U.S. cooperative longline survey and the domestic (U.S.) longline survey. In this plot, the values for the U.S. survey were adjusted to account for the higher efficiency of the U.S. survey gear.

Sablefish

November 2004 Plus Two-Year Draft

27 November 2004

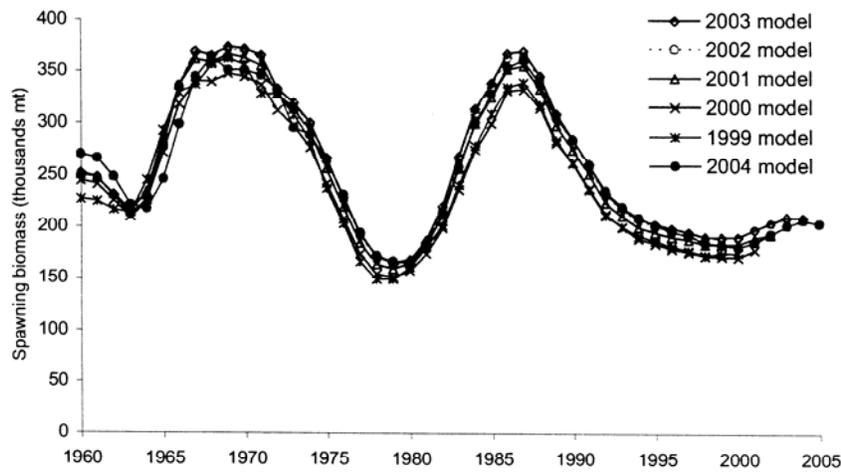


Figure 3.9a.--Estimated and one-year ahead projected sablefish spawning biomass (thousands mt) versus year by assessment model. The current model is the 2004 assessment model.

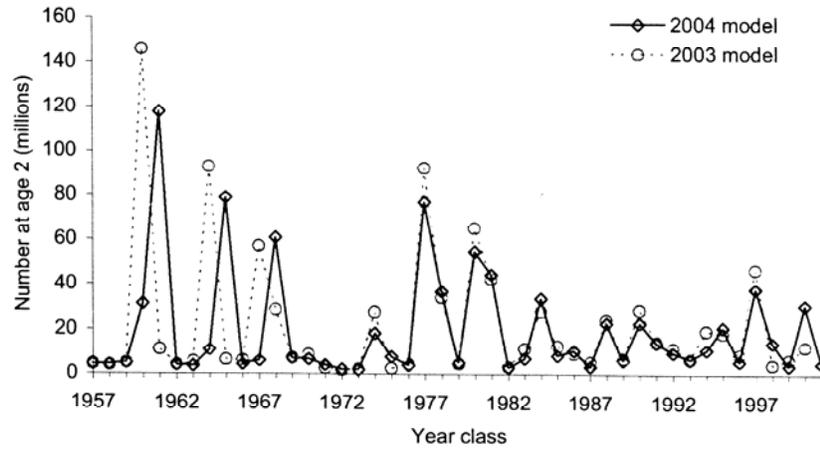


Figure 3.9b.--Estimated recruitment (number at age 2, millions) versus year for the 2003 and 2004 assessment models. Only two years are displayed for display clarity.

**\*\*WASHINGTON, D.C. ISSUES\*\***

**Magnuson.** Senator Stevens will become Chairman of the Commerce Committee and will be in charge of Magnuson Act amendments for the next two years. It so happens that Senator Cantwell from Washington is on the Commerce Committee. I expect her to take a bigger role on fish as fish issues will be in her committee.

**Capital Construction Fund.** I sense a great deal of renewed interest in this issue, particularly from those who want to move their funds to an IRA. There is talk of allowing CCF to be used for purchasing fishing rights. This might help those competing against tax-exempt CDQs and other such entities. The negative is this will tend to push QS values up due to the untaxed nature of the funds used. However, this impact is being felt by the CDQ and other entities already.

**\*\*MARKETS\*\***

Just a wrap up on 2004. Who can complain? Halibut made it on more menus again and frozen product, such as Trident's breaded frozen product, is helping cold storage to be used up. With the 3 million pound decrease in the 2005 harvest, I would expect a slightly stronger price than 2004. Sablefish shall be slightly stronger as well with slight decreases in harvest levels for 2005 and a stronger yen per dollar, currently at 103.

**\*\*SECOND WATCH\*\***

From National Fisherman, January 2005

**SNAPSHOT** Who we are**Jim Bodding**

Ketchikan, Alaska

When Jim Bodding of Ketchikan says that he's got halibut, blackcod and Dungeness crab in his teeth, he's not referring to the need of dental floss and a firm-bristled brush or a stout toothpick after a seafood buffet.

Several years ago, Bodding, 56, came up against extensive dental work including the implant of a top front tooth. "When they told me how much it was going to cost, I said, 'You could probably put a gold halibut in there.'"

The tooth fairies evidently agreed, hence the gold halibut. Since then, he's had more work, including two crowns, which have been adorned with inlays of blackcod and Dungeness — two other species he catches commercially aboard



his longliner, Aleutian Isle. What's next on the dental decoration front? "Probably a marlin," says Bodding, grinning. "I like to go down to Cabo in winter and catch marlin." — *Charlie Ess*

Trivia: Whoever can provide the FVOA office with the following information first will receive a \$125 gift certified to Ray's Boat House. Explain how Ambassador John Negroponte, the recent representative of the U.S. to the U.N., is associated with the halibut industry, and how Supreme Court Justice Anthony Kennedy is associated to our industry. Answer in the next newsletter.

**\*\*EAT ON THE WILD SIDE\*\***

**Green Label.** Scientific Certification System's three-person team met in Seattle the week of December 6, 2004. They held meetings with NMFS relative to sablefish and IPHC with regards to halibut. They have indicated a preliminary recommendation on Green Label Certification could be available in February. I am expecting April, due to follow-up meetings, but significant progress was made to complete the Marine Stewardship Certification Process.

Continued on page 10

Eat on the Wild Side continued...

**Fish Farms.** Olympic Aqua Farms/BPS Industries, Inc., continues to look at the Strait of Juan de Fuca as a potential site for the fish farming for all types of species, including sablefish. No permits have been requested yet.

**B.C.** 18,000 to 25,000 sablefish fingerlings apparently died off in one of the sablefish pens, as was reported by the Department of Fisheries & Oceans and the B.C. Ministry of Aquaculture. Cause of death unknown, or at least, not reported.

**Canadian Aquaculture** Industry Alliance Executive Director, David Rideout says “he thinks the industry may be within months of possible collapse and the federal government has to take concrete action within a matter of months rather than a year to forestall it”. He goes on to note that recently a top executive of one of Norway’s largest fish farming companies said “there are only two places to farm salmon in the world, Norway and Chile.” Canada was not on the list Rideout notes.

My interpretation of this is Norway is using Chilean production to subsidize their European employment and to keep North American fish farms on the economic ropes. It seems to be working. Where is a Swede when you need one?

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Happy New Year!